



Financial Results  
for the First Half of the Fiscal Year Ending  
March 31, 2024

November 20, 2023

WILL GROUP, INC. (Tokyo Stock Exchange, Prime Market / Stock code: 6089)

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# 1H FY2024 Results

## 1H FY2024 Financial Highlights

1H FY2024  
Results

**A shortfall in the Overseas Working Business was covered by the Domestic Working Business.**

Revenue :	69.27	Vs. Forecast	+0.4%	Vs. 1H FY2023 %change :	-4.3%
Operating profit :	2.01	Vs. Forecast	+6.3%	Vs. 1H FY2023 % change :	-31.2%

(Billions of yen)

## Domestic W

**Recovery trend in domains other than sales and call centers.**

Revenue :	40.70	Vs. Forecast	-1.0%	Vs. 1H FY2023 %change :	-2.0%
Operating profit :	2.14	Vs. Forecast	+24.5%	Vs. 1H FY2023 % change :	-5.8%

(Of which, gain on sale of subsidiaries of ¥0.78 billion)

## Overseas W

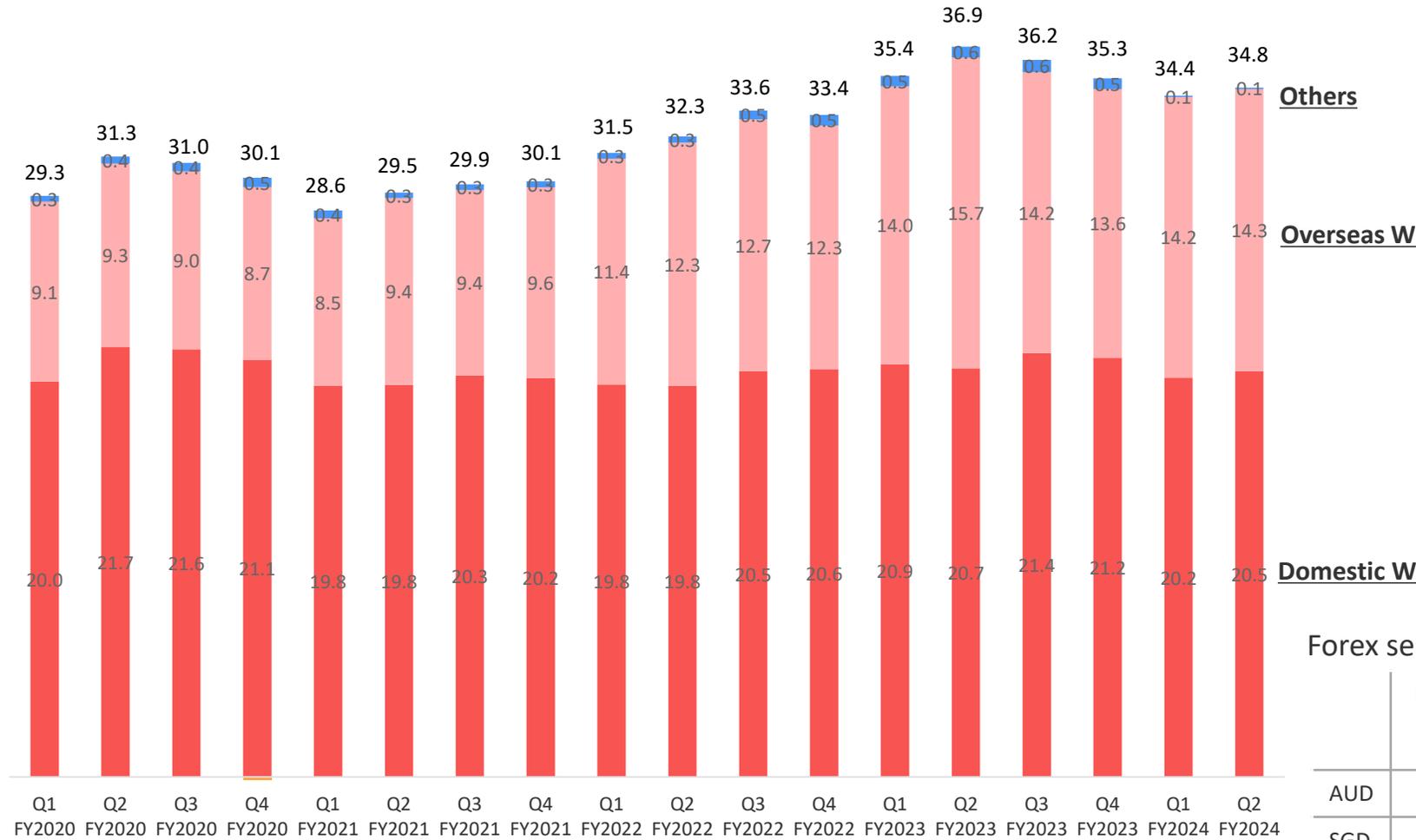
**Permanent placement revenue increased from Q1. Operating profit increased from Q1 due to control of SG&A expenses.**

Revenue :	28.44	Vs. Forecast	+2.5%	Vs. 1H FY2023 %change :	-4.4%
Operating profit :	1.12	Vs. Forecast	-33.3%	Vs. 1H FY2023 % change :	-41.3%

# 1. 1H FY2024 Results

## Consolidated Revenue

(Billions of yen)



**Q2 FY2024 revenue was  
¥0.4 billion above  
Q1 FY2024**

(The effects of foreign exchange rate: +¥0.2 billion)

**Domestic W: Increased in the  
construction management engineer  
domain.**

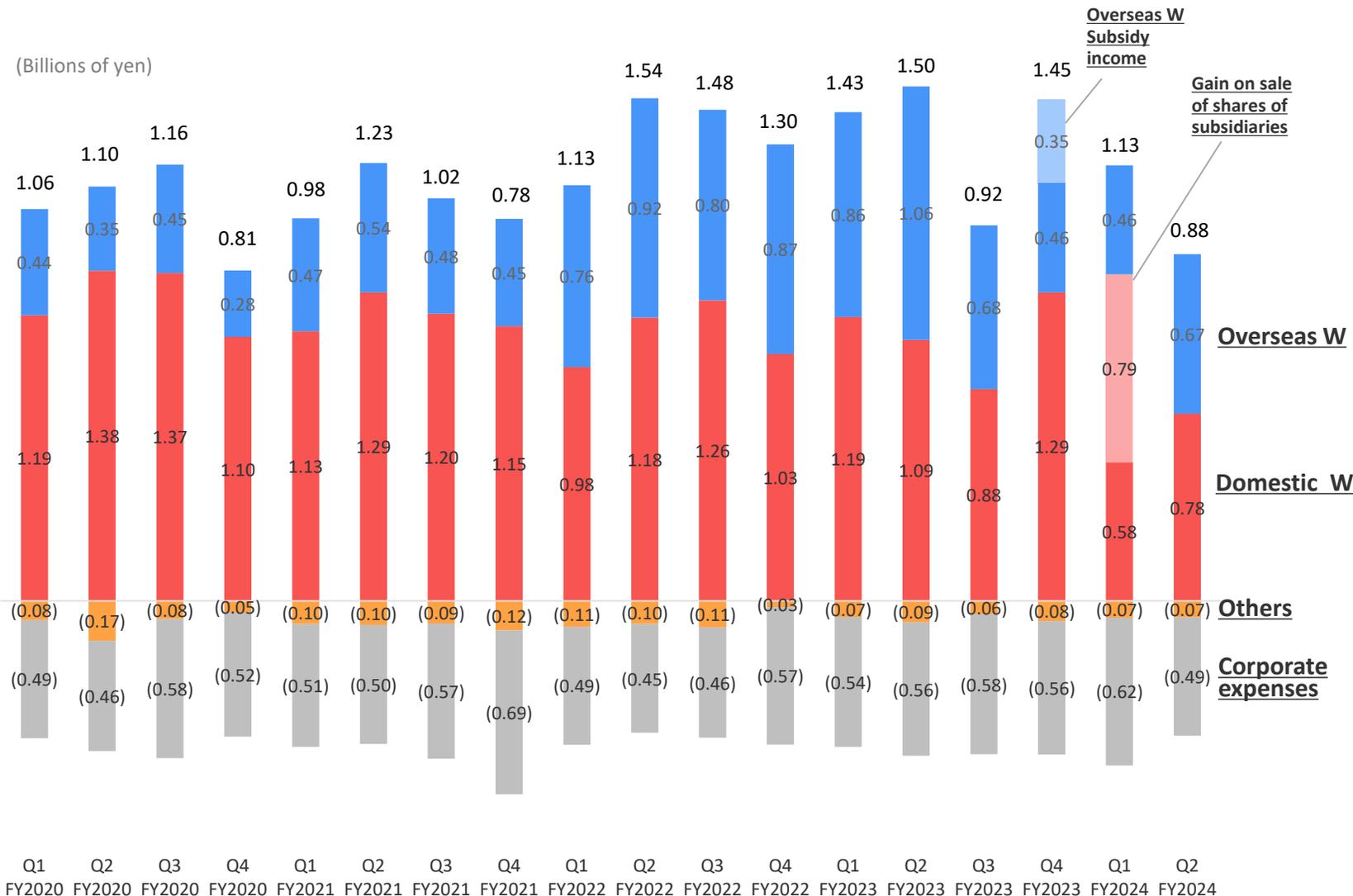
**Overseas W: Remained at the same  
level.**

Forex sensitivity

	FY2024 Plan	Q2 FY2024 Results	Q2 FY2023 Results	Change for ¥1 difference/y	
				Revenue	Profit
AUD	¥86	¥93	¥94	¥420 million	¥10 million
SGD	¥94	¥105	¥97	¥140 million	¥0 million

# 1. 1H FY2024 Results

## Consolidated Operating Profit



### Q2 FY2024 operating profit was ¥0.2 billion below Q1 FY2024

(The effects of foreign exchange rate: +¥0.0 billion)

In Domestic W, operating profit excluding gain on sale of shares of subsidiaries increased by ¥0.2 billion compared to Q1.

Made upfront investment (Q1: ¥0.16 billion, Q2: ¥0.30 billion).

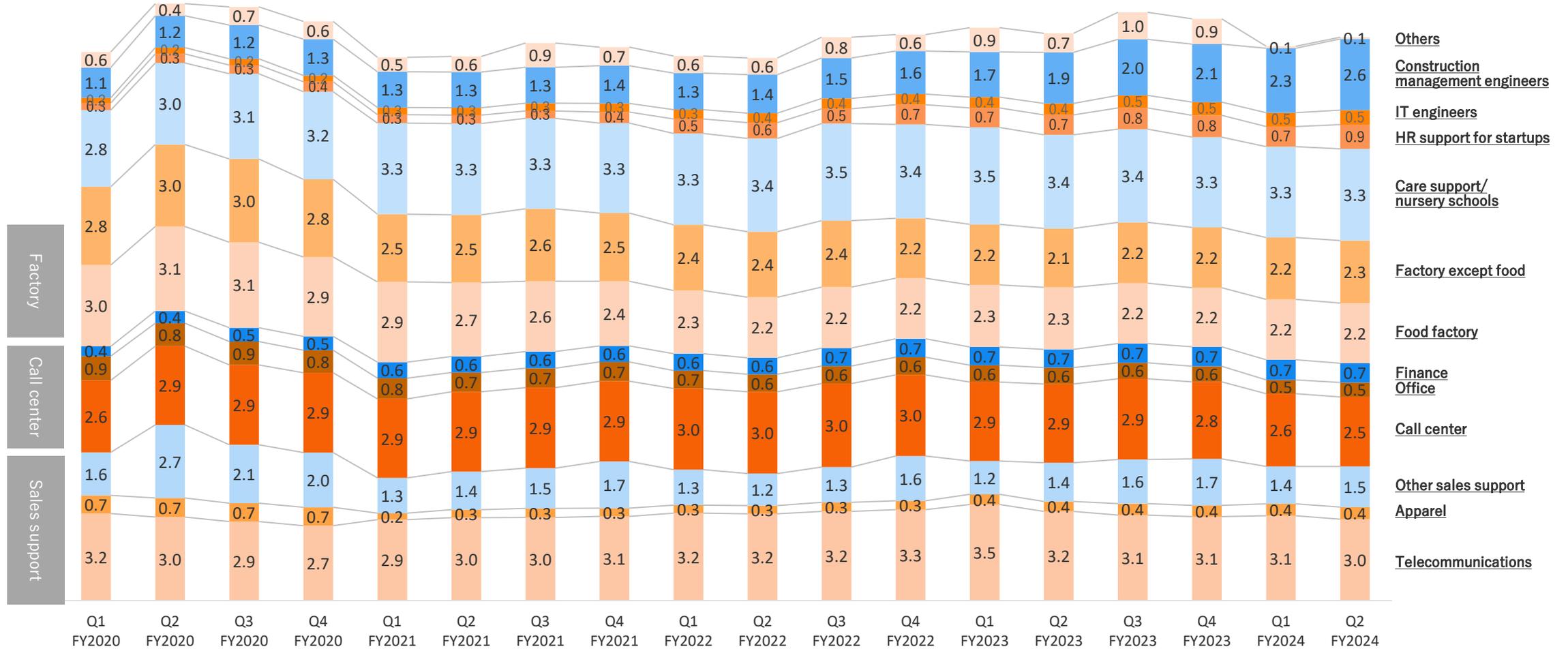
In Overseas W, cost reduction achieved an increase of ¥0.2 billion vs. Q1.

# 1. 1H FY2024 Results

## Domestic Working Business (Business sector revenue)

Although the domains of sales and call centers stagnated, the construction management engineer domain and HR support for startups were steady.

(Billions of yen)



# 1. 1H FY2024 Results

## Domestic Working Business (Revenue and operating profit by sector)

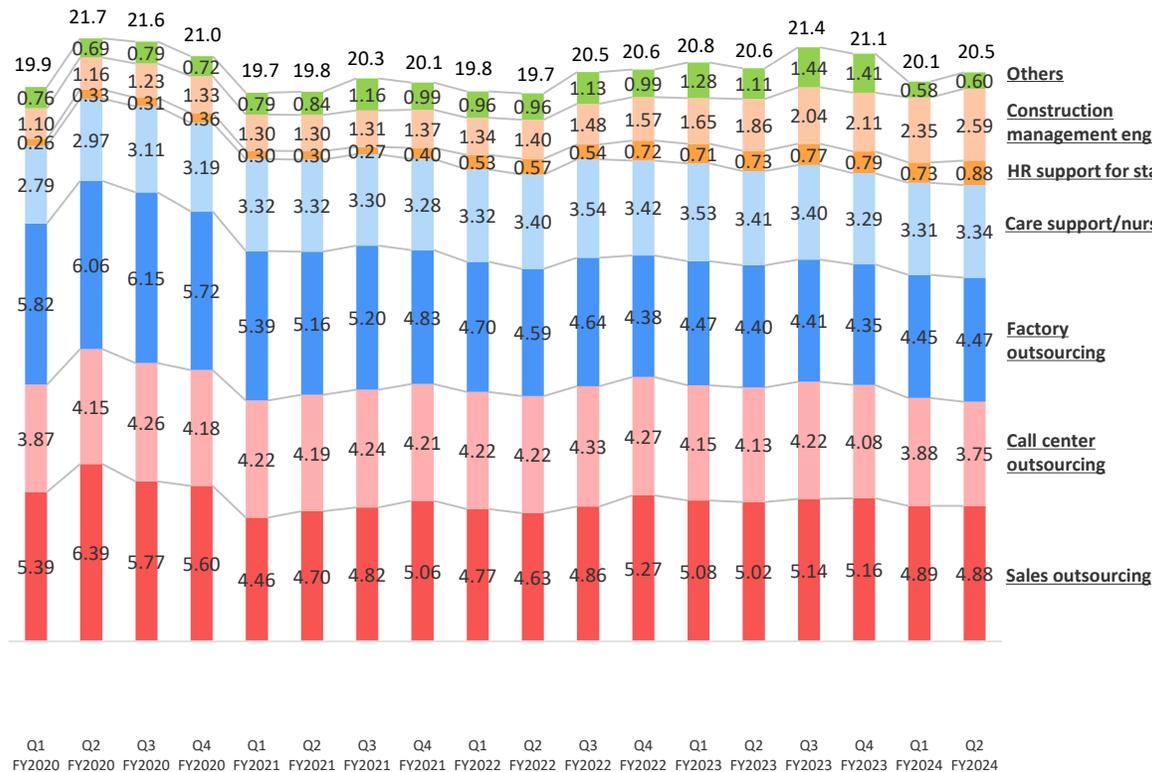
Although the Sales and Call Center domains are facing tough business environment, other business domains are showing signs of recovery.

In Domestic W, overall revenue and operating profit both increased compared to Q1.

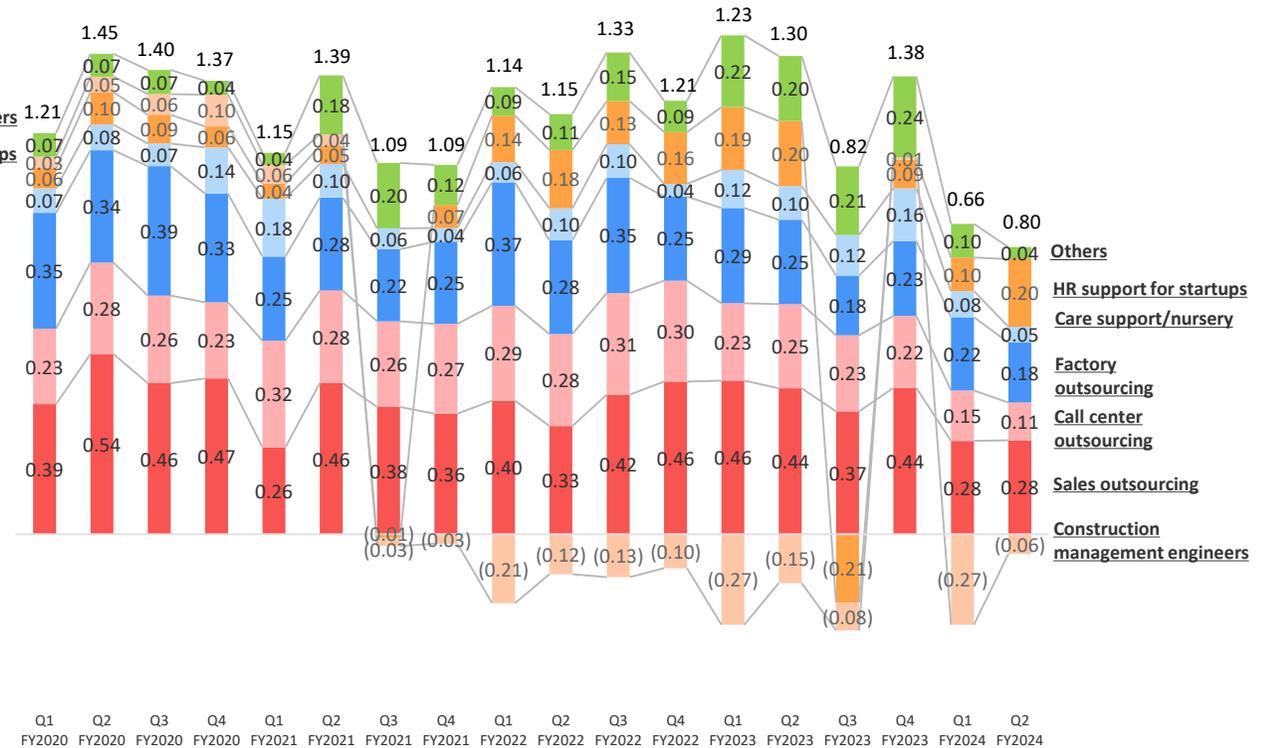
The breakdown of upfront investments (Q1: ¥0.16 billion, Q2: ¥0.30 billion)

Sales outsourcing domain (Q1: ¥0.02 billion, Q2: ¥0.00 billion), Factory outsourcing domain (Q1: ¥0.03 billion Q2: ¥0.04 billion), Nursing care domain (Q1: ¥0.01 billion, Q2: ¥0.02 billion), Construction management engineer domain (Q1: ¥0.10 billion, Q2: ¥0.11 billion), promotional expenses (Q1: ¥0.00 billion, Q2: 0.13 billion)

-Revenue by sector (Billions of yen)-



-Operating profit by sector (Billions of yen)-

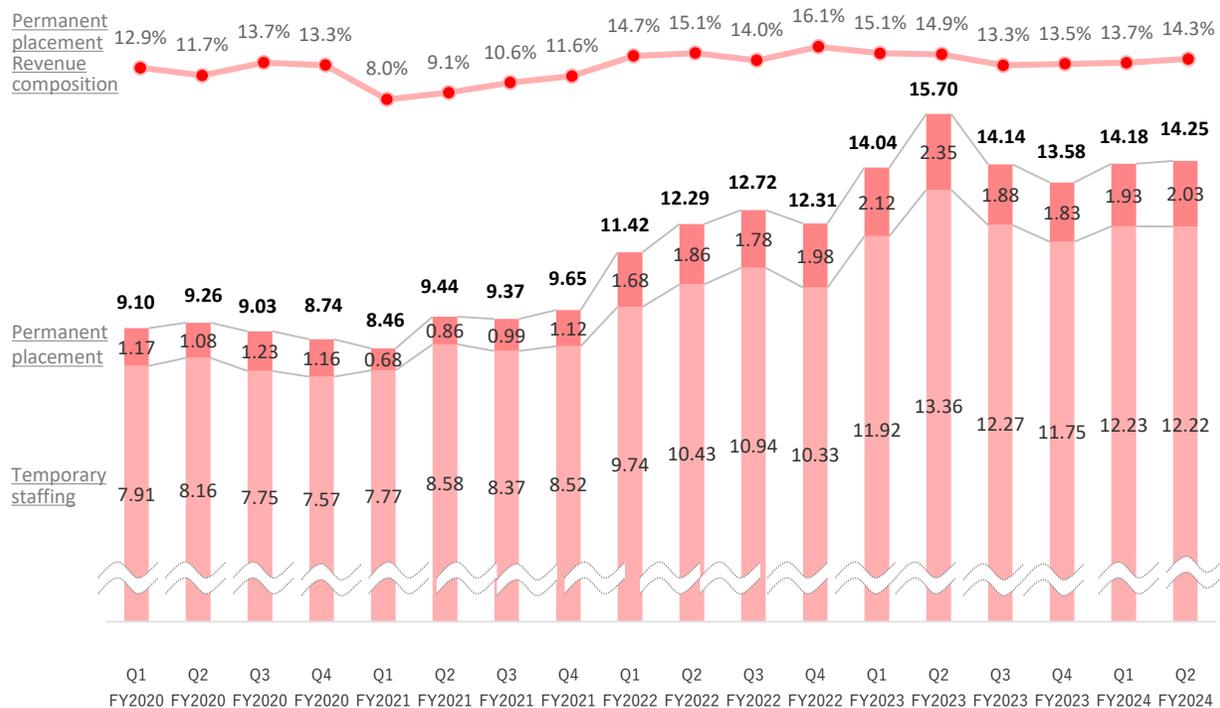


\*Intra-segment consolidation adjustments are not included.

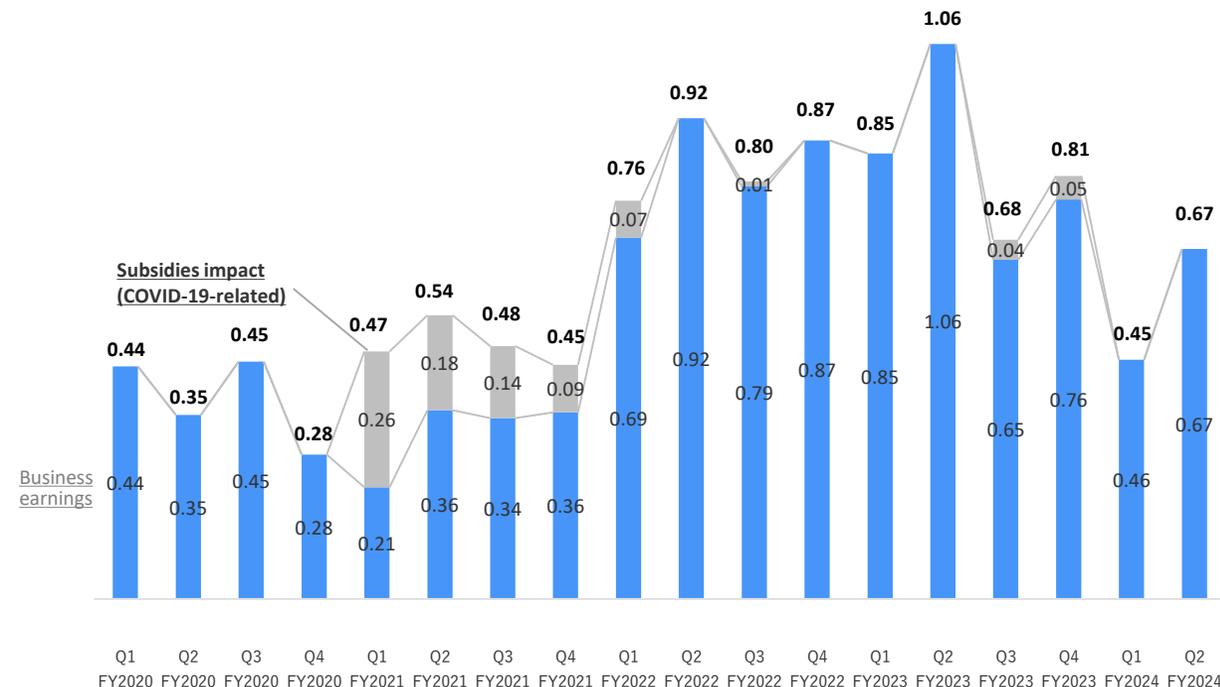
# Overseas Working Business (Revenue by contract type and operating profit)

**Slight recovery in Q2 permanent placement compared to Q1. In addition, operating profit increased compared to Q1 due to controlling SG&A expenses (mainly personnel expenses). We will continue to manage SG&A expenses while monitoring progress from Q3 onward.**

-Revenue by contract type (Billions of yen)-



-Operating profit (Billions of yen)-



## Progress of KPI

Steady progress in the construction management engineer domain, which is our primary focus area.

Key strategies			KPI				Evaluation
			Indicator	Plan	Results	Progress rate	
Domestic W	Strategy I	Realizing further growth and monetization in the construction management engineer domain	Number of hires/year	1,270	843	66%	Good
			Retention rate	71%	73%	-	Good
	Strategy II	Restoring growth in Domestic W (excluding the construction management engineer domain)	Increase in number of workers on assignment for permanent employee staffing	600 <small>(Number of workers on assignment at the end of the fiscal year: 3,052)</small>	164 <small>(Number of workers on assignment at the end of Q2: 2,616)</small>	27%	Poor
			Increase in number of foreign talent supported through the Foreign Talent Management Service	1,100 <small>(Number of foreigners supported through the Foreign Talent Management Service at the end of the fiscal year: 2,850)</small>	136 <small>(Number of foreigners supported through the Foreign Talent Management Service at the end of Q2: 1,886)</small>	12%	Poor
Overseas W	Strategy III	Stable growth in Overseas W	Permanent placement revenue composition	16%	14%	-	Unsatisfactory

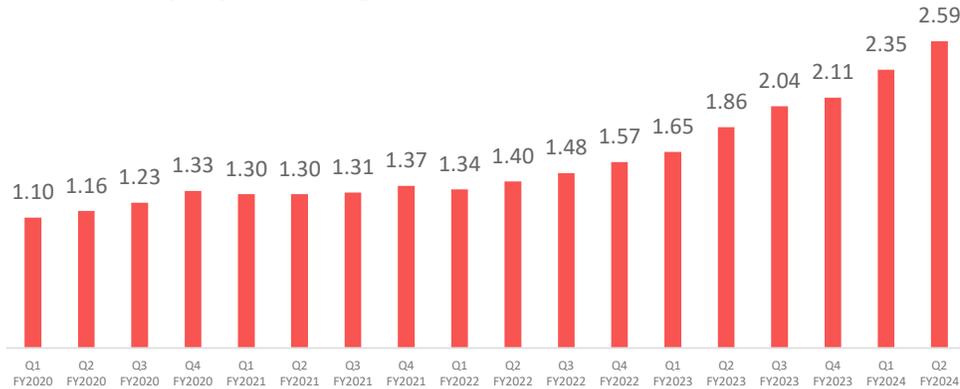
# 1. 1H FY2024 Results

## Progress in the Construction Management Engineer Temporary Staffing Business

### Quarterly Revenue

(Billions of yen)

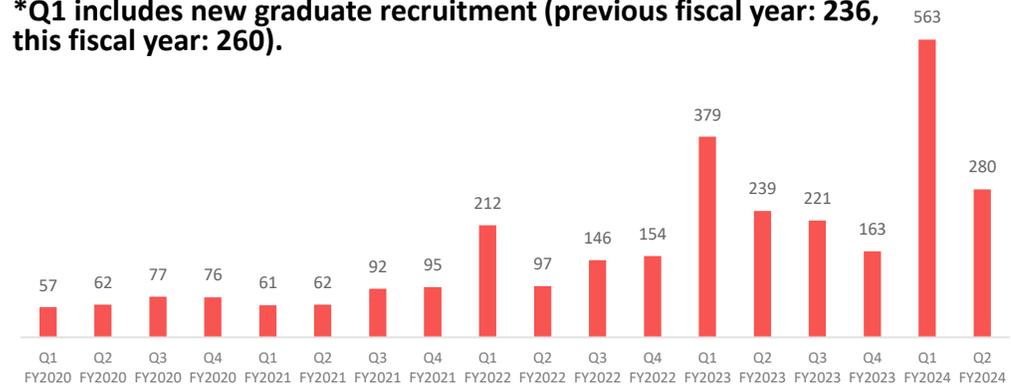
Revenue is steadily increasing with the increase in the number of people on assignment.



### Number of People Hired

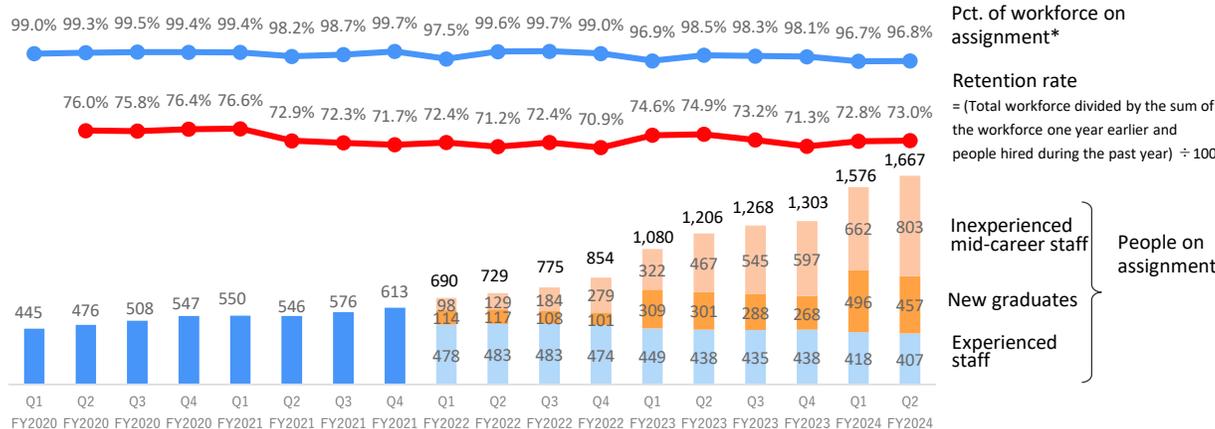
(No. of people)

Against the target of 1,270 people for this fiscal year, 1H performance is steady with a cumulative result of 843 people (progress rate: 66%).  
\*Q1 includes new graduate recruitment (previous fiscal year: 236, this fiscal year: 260).



### People on Assignment, Pct. of Workforce on Assignment, and Retention Rate

Percentage of workforce on assignment remained at a high level. We will continue to work to improve retention rates.

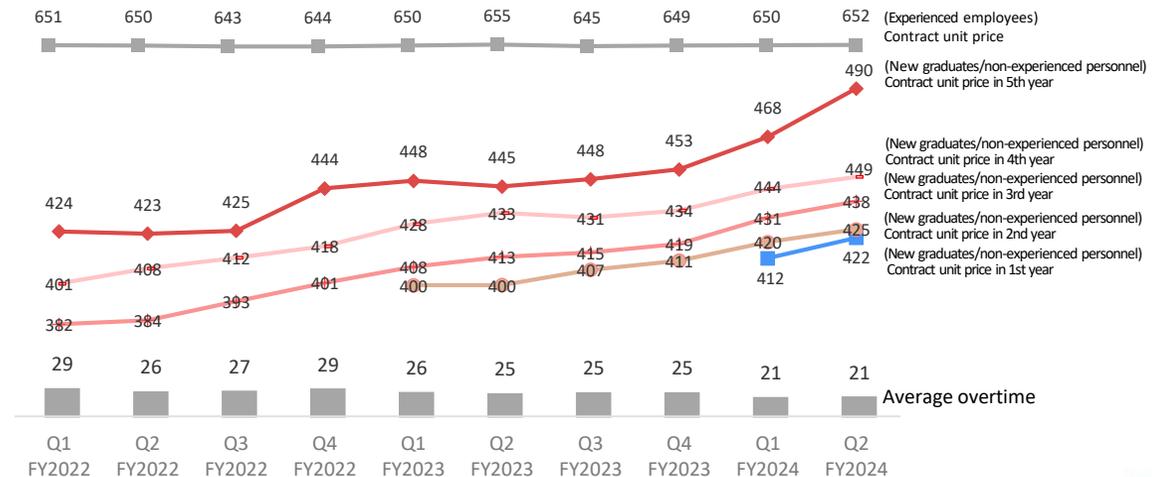


\* Percentage of workforce on assignment in Q1 is for the month of June only, after excluding impact of training for new graduates.

### Average contract unit price, average overtime (monthly)

(Hours, Thousands of yen)

Average contract unit price for new graduates and non-experienced personnel has been rising 5% yearly due to negotiations with customers on raising fees. Overtime hours have remained flat.

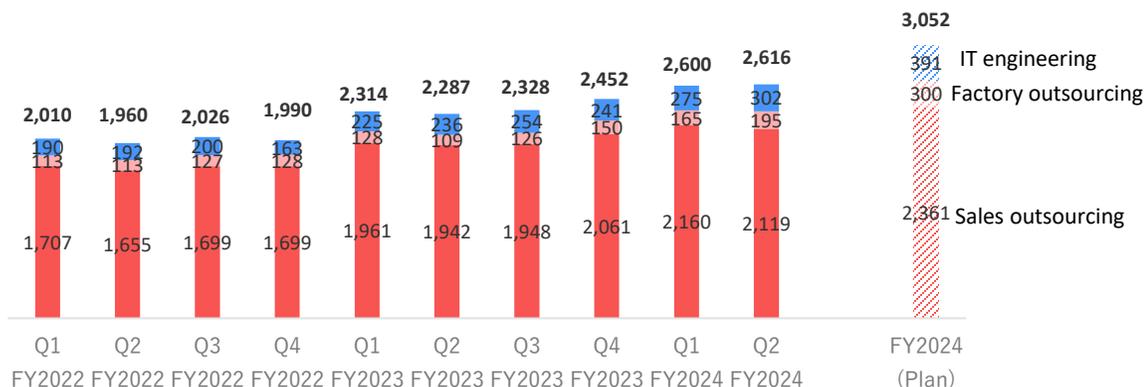


# 1. 1H FY2024 Results

## Progress of Permanent Employee Staffing and Foreign Talent Management Service

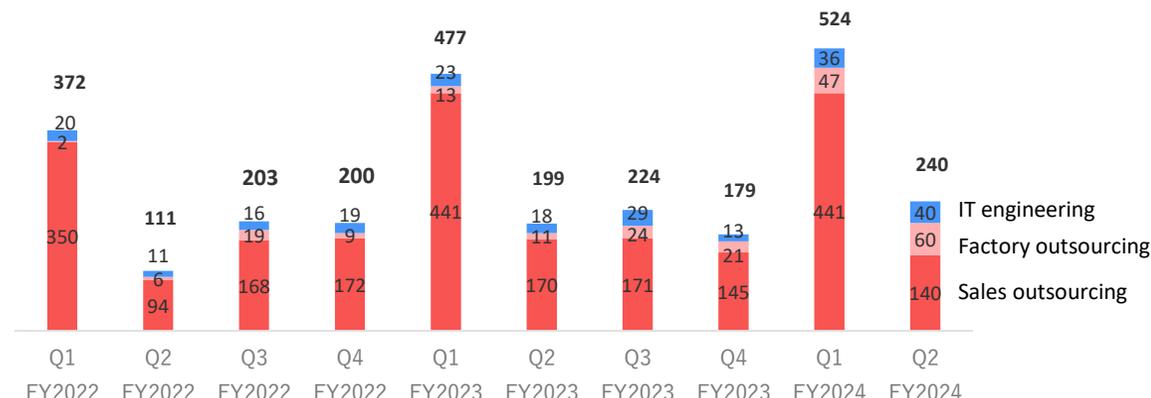
### Number of workers on assignment for permanent employee staffing (No. of people)

Lower than the target due to the slower-than-expected progress in hiring mid-career candidates in the sales outsourcing domain.



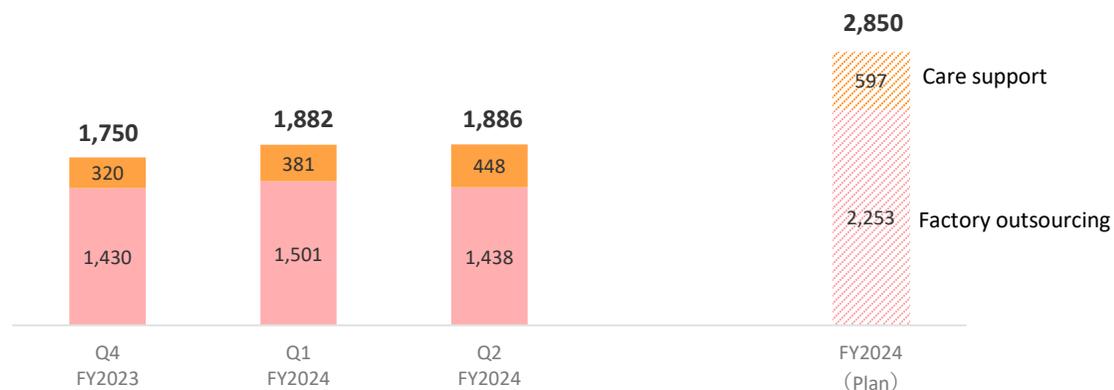
### Number of permanent employee staffing hires (No. of people)

Steady hiring in the factory outsourcing and IT engineer domains. \*Q1 includes 280 new graduates in the sales outsourcing domain.



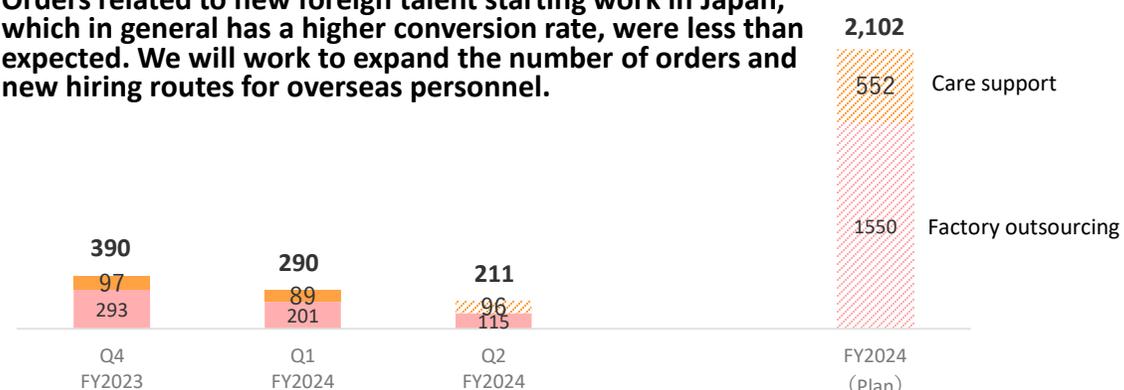
### Number of foreigners supported through the Foreign Talent Management Service (No. of people)

Although the nursing care domain was steady, there were delays in the number of new workers consigned in the factory domain.



### Number of new foreigners supported through the Foreign Talent Management Service (No. of people)

Although the number of orders from clients increased steadily, we were unable to build up the number of foreign talent that we support through our Foreign Talent Management Service. Orders related to new foreign talent starting work in Japan, which in general has a higher conversion rate, were less than expected. We will work to expand the number of orders and new hiring routes for overseas personnel.



## Initiatives to Expand Foreign Talent Management Service

Letter of Intent related to the Specified Skilled Worker scheme has been signed with the province of North Sulawesi in Indonesia.

We are aiming to support 1,000 people entering Japan by the end of March 2025.



\*Signing of the agreement

### About the Province of North Sulawesi, Indonesia

North Sulawesi is a province in Indonesia located on the Minahasa Peninsula in northeastern Sulawesi. Manado, the provincial capital, is popular among divers from all over the world for its clear and beautiful waters. It is often referred to as an “underwater paradise.” Direct flights between Manado and Narita became available in March 2023, making it more convenient for the residents to enter Japan.

Provincial capital: Manado  
Population: 2,659,543 (2022)

\*Among the countries participating in the Specified Skilled Worker scheme of Japan, Indonesia holds the second-highest number of nationals residing in Japan.

# 1. 1H FY2024 Results

## Brand promotions

First TV commercials were run mainly in the West Japan area from July 2023 as promotion of “WILLOF” brand. The number of searches for “WILLOF” have been on a gradual rising trend since the implementation of the promotion, and going forward, the number of hires through owned media are expected to gradually increase. Therefore, the Group plans to continue to implement the promotion in the Q3 and beyond.



▶ Commercial introduction website: [https://willof.jp/shigoto\\_update/](https://willof.jp/shigoto_update/)

▼“WILLOF Job Update: Skills” (30 seconds)



<https://youtu.be/kc-2y4QhOa0>

▼“WILLOF Job Update: Conditions” (30 seconds)



<https://youtu.be/eKhYOWqRGYI>

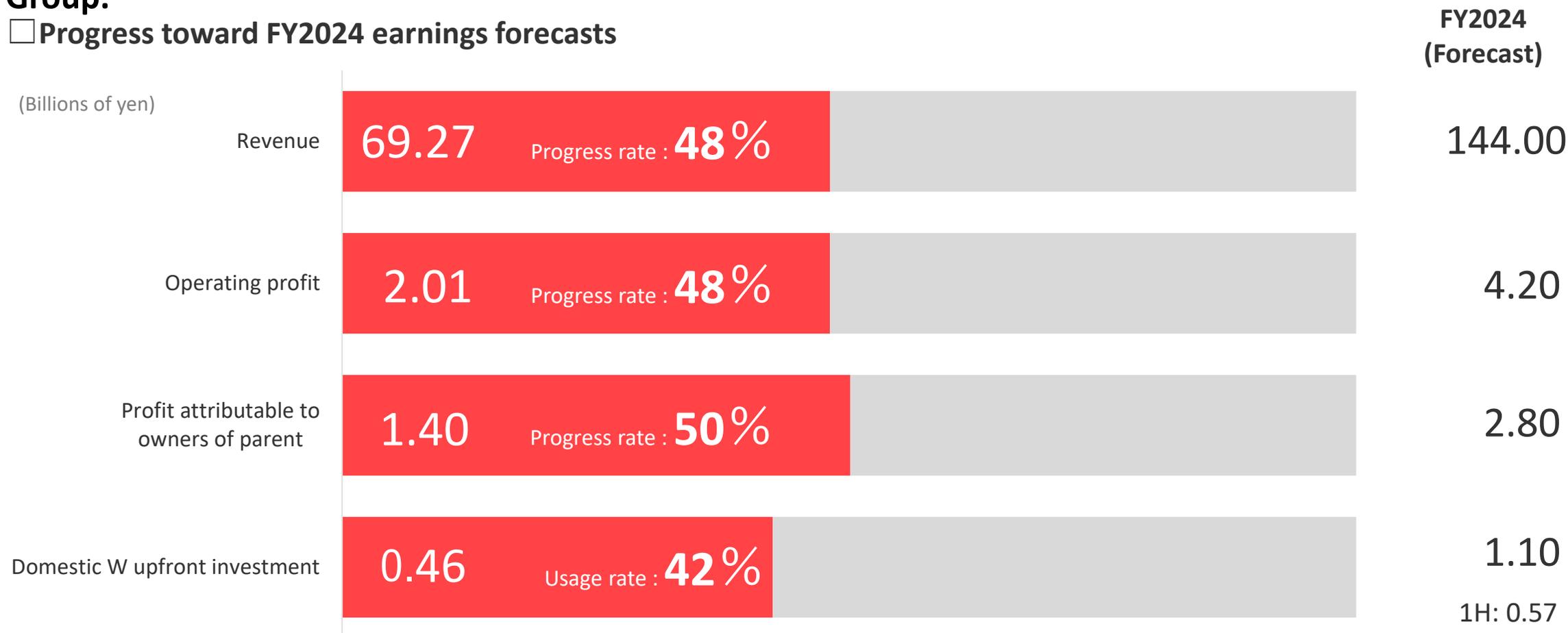
# FY2024 Earnings and Dividend Forecasts

## FY2024 Consolidated Earnings Forecasts

**Steady progress against forecasts as of Q2. Domestic W upfront investments are generally progressing as planned.**

**However, since Overseas W is slower than planned, we will work to control SG&A costs across the entire Group.**

□ Progress toward FY2024 earnings forecasts



## 2. FY2024 Earnings and Dividend Forecasts (Reference) FY2024 Consolidated Earnings Forecasts

(Billions of yen)	FY2023	FY2024 (Forecasts)	Vs. FY2023		1H FY2024	
			Change	% change	Actual	Progress rate
Revenue	143.93	144.00	+0.06	+0.0%	69.27	48%
Domestic Working Business	84.13	85.80	+1.66	+2.0%	40.70	47%
Overseas Working Business	57.53	57.85	+0.32	+0.6%	28.44	47%
Others	2.25	0.33	-1.91	-85.0%	0.13	46%
Gross profit	31.73	33.45	+1.71	+5.4%	15.40	46%
Gross margin	22.1%	23.2%	+1.2pt	-	22.2%	-
Operating profit	5.31	4.20	-1.11	-21.0%	2.01	48%
Operating margin	3.7%	2.9%	-0.7pt	-	2.9%	-
Domestic Working Business	4.45	3.78	-0.66	-15.0%	2.14	57%
Overseas Working Business	3.40	3.33	-0.07	-2.1%	1.12	34%
Others	(0.29)	(0.31)	-0.02	-	(0.13)	-
Adjustments	(2.24)	(2.59)	-0.35	-	(1.11)	-
Profit attributable to owners of parent	3.23	2.80	-0.43	-13.5%	1.40	50%
EBITDA	7.45	6.29	-1.16	-15.6%	3.06	49%
Exchange rate			Change for ¥1 difference/y			
			Revenue	Profit		
AUD	¥93	¥86	¥420 million	¥10 million	¥93	-
SGD	¥98	¥94	¥140 million	¥0 million	¥105	-

## 2. FY2024 Earnings and Dividend Forecasts

# (Reference) FY2024 consolidated earnings forecasts (by Domestic W sectors)

In brand promotions, in Q2 we conducted cumulative investment accounting for ¥0.13 billion of a planned total of ¥0.3 billion.

(Billions of yen)

Sectors		FY2023	FY2024 (Forecast)	Change	Upfront investment framework	Upfront investment details	1H FY2024		
							Actual	Progress rate	Upfront investment amount
Sales	Revenue	20.39	21.01	+0.61	-		9.77	47%	-
	Operating profit	1.71	1.48	-0.23	0.1	Recruitment cost for full-time employees and temporary employees.	0.56	38%	0.02
Call center	Revenue	16.58	16.73	+0.15	-		7.63	46%	-
	Operating profit	0.93	0.66	-0.27	-		0.26	40%	-
Factory	Revenue	17.64	18.49	+0.85	-		8.92	48%	-
	Operating profit	0.94	0.78	-0.16	0.1	Recruitment cost for full-time employees and temporary employees, increased sales staff for Foreign Talent Management Service	0.40	51%	0.07
Care support	Revenue	13.62	13.02	-0.60	-		6.65	51%	-
	Operating profit	0.49	0.13	-0.36	0.1	Increased sales staff for Foreign Talent Management Service	0.12	95%	0.03
HR support for startups	Revenue	2.99	3.30	+0.30	-		1.60	49%	-
	Operating profit	0.26	0.33	+0.06	-		0.30	93%	-
Construction management engineers	Revenue	7.66	10.57	+2.90	-		4.93	47%	-
	Operating profit	(0.49)	(0.49)	+0.00	0.5	Recruitment cost for new graduates/non-experienced personnel, increased sales staff and follow-up personnel.	(0.33)	-	0.21

# FY2024 Dividend Forecast

Based on our shareholder return policy, for our FY2024 dividends, we plan to pay the same ¥44 per share as in the previous fiscal year.

Shareholder return policy in the previous Medium-term Management Plan (FY2021–FY2023).

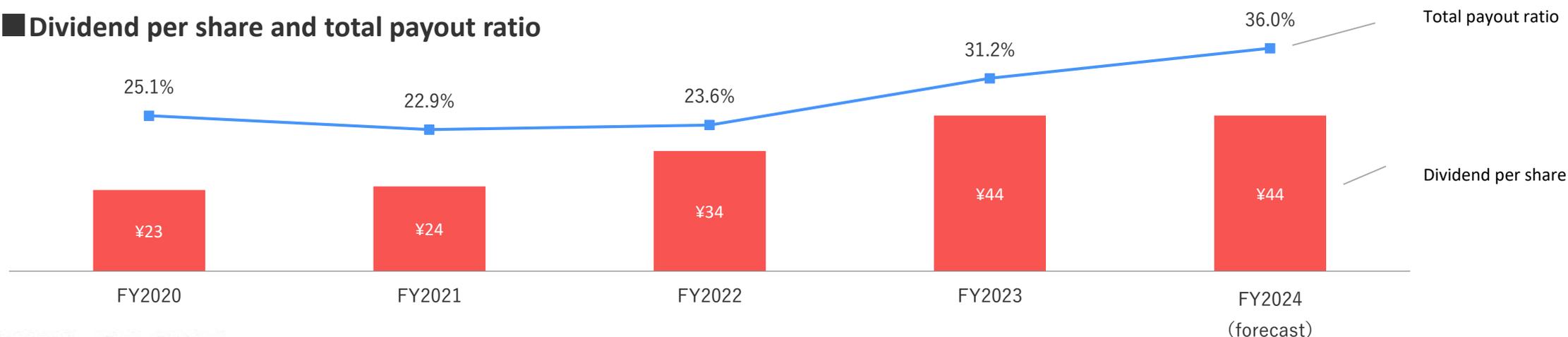
- Target total payout ratio of 30% (versus earnings forecasts at the start of the fiscal year)



Shareholder return policy in the Medium-term Management Plan (FY2024–FY2026)

- **Progressive dividends**  
In principle, increase or maintain and do not reduce dividends
- **Total payout ratio of 30% or higher**  
Evaluate flexible treasury share acquisitions as needed based on performance progress during the period

■ Dividend per share and total payout ratio





Forecasts of future performance in this report are based on assumptions judged to be valid and information available to the Will Group's management at the time the materials were prepared, but are not promises by the Will Group regarding future performance. Actual results may differ significantly from these forecasts for a number of reasons.

This report is an English translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between the original Japanese version and this translated version, the Japanese version shall prevail.

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